CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name: Butte Pipeline Replacement Additional Workspace LUL

Proposed

Implementation Date: 2014

Proponent: Butte Pipeline Company

Location: T7N-R58E-Sec 16, T5N-R57E-Sec 36, T4N-R58E-Sec 4, T4N-R58E-Sec 16,

T4N-R58E-Sec 20, T2N-R58E-Sec 6, T2N-R57E-Sec 36, T1S-R57E-Sec 36,

T6S-R57E-Sec 36

County: Fallon and Carter County

Definitions

DNRC- Montana Department of Natural Resources and Conservation

ELO- DNRC Eastern Land Office

HDD- Horizontal Directional Drilling

EMP- Belle Fourche Pipeline Company Environmental Mitigation Plan

I. TYPE AND PURPOSE OF ACTION

Butte Pipeline Company (henceforth referred to as Butte) has requested a 50 foot wide Land Use License with 25 feet on either side of their existing right of way easement. This license would be for the purpose of additional temporary work space while the existing 16" Butte Pipeline is replaced. The existing Butte pipeline is currently held under easement numbers D-3760, D-3772, D-3773, D-3774, D-3762, D-3763, D-3764, D-3761, D-3766, D-3765. The replacement pipeline will also be a 16" line which will follow the existing Butte pipeline easement corridor.

Clearing, grading, trenching and backfilling operations have already occurred on T6S-R57E-Sec 36, T1S-R57E-Sec 36, and T2N-R57E-Sec 36 without prior authorization from the DNRC. These existing disturbances would be addressed with mitigation measures set forth in the land use license terms and conditions.

The total length of the licensed area will be 2304 rods, with an affected acreage of 43.64 acres.

II. PROJECT DEVELOPMENT

1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS OR INDIVIDUALS CONTACTED:

Provide a brief chronology of the scoping and ongoing involvement for this project.

The Eastern Land Office staff has been working with land agents during winter 2014. This included preliminary project overviews, staking requests, route reviews, on ground surveys and reviews of the land use license process. Butte pipeline has existing 50 foot right of way easements on affected state trust land tracts along the pipeline corridor.

2. OTHER GOVERNMENTAL AGENCIES WITH JURISDICTION, LIST OF PERMITS NEEDED:

Montana Department of Environmental Quality; Permitting and Compliance Division; Water Protection Bureau: 401 Permit, 318 Permit, NPDES Permit

Montana Department of Fish, Wildlife and Parks

Montana Public Service Commission

Montana Department of Natural Resources; Water Resources Division:

Beneficial Water Use Permit

Montana Historical Society

United State Department of Defense; U.S. Army Corp of Engineers:

Nationwide Permit 12, 404 Permit United States Fish and Wildlife Service:
Section 7 Endangered Species Act Local Conservation Districts:
Section 310 Permit

3. ALTERNATIVES CONSIDERED:

Alternative A- Grant a Land Use License for the purpose of additional temporary workspace along the existing right of way easements for the Butte Pipeline. The issuance of a land use license for the requested area will allow mitigation measures to be established upon current and proposed disturbance areas along the easement route. It will also allow the trust to gain revenue through the rental fees associated with the land use license. Alternative B- No Action- This will not allow for mitigation measures to be put in place regarding existing disturbance and workspace along the existing pipeline right of way. Revenue to the trust through rental income from a land use license will not be realized.

III. IMPACTS ON THE PHYSICAL ENVIRONMENT

- RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.
- Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.
- Enter "NONE" If no impacts are identified or the resource is not present.

4. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE:

Consider the presence of fragile, compactable or unstable soils. Identify unusual geologic features. Specify any special reclamation considerations. Identify any cumulative impacts to soils.

Alternative A- Moderate to extensive soil disturbance may take place within the additional workspace along the pipeline route. This disturbance would be in relation to clearing, grading, trenching and pipeline construction. Soils identified on the tract within the route of the pipeline are of varying soil types sandy to clayey and shallow to deep. Most soils on state land are moderately stable. The construction plan calls for topsoil to be stripped and stockpiled separate from spoil material. Upon restoration all removed topsoil will be replaced. Trench and slope breaking devices as well as silt fences, erosion control matting, and straw bales will be used to prevent subsoil and topsoil erosion. Construction sites will be continuously monitored to ensure proper erosion control/restoration. Upon completion of the project the disturbed area will be seeded back to a native plant seed mixture specific to the specific range sites. Reseeding typically reestablishes a plant community with root mass to hold the soil within 2-3 years.

Alternative B- No Impact.

5. WATER QUALITY, QUANTITY AND DISTRIBUTION:

Identify important surface or groundwater resources. Consider the potential for violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality. Identify cumulative effects to water resources.

Alternative A- Minimal impact to water quality, quantity and distribution could be expected. Construction methods could increase soil compaction which could lead to increased runoff and slower soil absorption. Mitigation procedures would include de-compaction of the soil within the trench area and work space after construction completion to allow for improved drainage. The project would cross 4 perennial stream on state owned trust land. HDD (Horizontal Directional Drilling) construction methods would be employed for construction of the pipeline underneath any perennial stream to prevent any streambed disturbance. Some intermittent streams will also employ HDD crossings as conditions warrant. Construction methods for intermittent and ephemeral sites would employ an open cut crossing. All construction methods will be done in a way to minimize impacts to both ground and surface water sources. This will be accomplished through use of sediment controls, silt fences, erosion control fabrics and construction methods to reduce the amount of surface water degradation and soil translocation. Stream crossing mitigation measures are addressed in EMP Chapter 2

6. AIR QUALITY:

What pollutants or particulate would be produced? Identify air quality regulations or zones (e.g. Class I air shed) the project would influence. Identify cumulative effects to air quality.

Alternative A- Construction could be expected to temporarily impact local ambient air-quality. This impact would be produced through fugitive dust as well as emission from construction equipment. This temporary localized impact should only take place on these tracts of trust land during clearing, construction and restoration processes. Fugitive dust would be controlled through applying water to roads and work areas as well as revegetating the disturbed areas in a prompt time frame after construction. Impact from construction would be temporary and should not result in significant impacts in air quality.

Alternative B- No Impact

7. VEGETATION COVER, QUANTITY AND QUALITY:

What changes would the action cause to vegetative communities? Consider rare plants or cover types that would be affected. Identify cumulative effects to vegetation.

Alternative A- Potential disruption to the vegetative community within the area of construction could be expected. This disruption would come in the action of clearing and construction. Current plant species which occupy the construction area include Western Wheatgrass (Agropyron smithii), Green Needlegrass (Stipa viridula), Blue Bunch Wheatgrass (Agropyron spicatum), Crested Wheatgrass (Agropyron cristatum), Prairie Sandreed (Calamovilfa longifolia), Little Bluestem (Schizachyrium scoparium) Needle and Thread (Stipa comata), Prairie Junegrass (Koleria pyramidata), Blue Grama (Bouteloua gracilis), Threadleaf Sedge (Carex filifolia), Sandberg Bluegrass (Poa secunda), Big Sagebrush (Artemisia tridentata), Silver Sagebrush (Artemisia cana), Fringed Sagewort (Artemisia frigida), Broom Snakeweed (Gutierrezia sarothrae), Downy Brome (Bromus tectorum) and Japanese Brome (Bromus japonicus). The proponent has created a restoration plan to address disturbances to the plant community. Construction areas will have stored topsoil replaced, contoured and reseeded to a native seeding mixture. The proponent has created area specific native perennial species seed mixture which the Eastern Land Office field staff has reviewed and found to be adequate. The proponent will be required to create a noxious weed control plan to monitor and treat noxious weeds within the construction area. Any noxious weed infestations caused by construction on state land will be the responsibility of the proponent to control. All weed plans will be submitted to the appropriate County Weed Boards for revisions and approval.

Alternative B- No Impact

8. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS:

Consider substantial habitat values and use of the area by wildlife, birds or fish. Identify cumulative effects to fish and wildlife.

Alternative A- This project may disrupt wildlife habitat for a number of species. Species which may have habitat in the area of the project may include deer, elk, antelope, rodents, coyotes, foxes, mountain lions, rodents, amphibians, reptiles, raptors, migratory and prairie birds. The majority of disruption would occur during the construction and reclamation phases of the project. Upon project completion habitats and wildlife utilization should return to normal levels.

UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES:

Consider any federally listed threatened or endangered species or habitat identified in the project area. Determine effects to wetlands. Consider Sensitive Species or Species of special concern. Identify cumulative effects to these species and their habitat.

Alternative A- A search of the Montana Natural Heritage Database shows the following species of concern have been noted within the general area of the project. Species noted with an asterisks are further detailed.

Birds- Brewer's Sparrow (Spizella breweri)

Bald Eagle (Haliaeetus leuccocephalus)

Black Billed Cuckoo (Coccyzus erythropthalmus)

Bobolink (Dolichonyx oryzivorus)

Clark's Nutcracker (Nucifraga columbiana)

Ferruginous Hawk (Buteo regalis)

Greater Sage Grouse (Centrocercus urophasianus) *1

Golden Eagle (Aquilla chrseatos) Great Blue Herron (Ardea herodius)

Sharp-tailed Grouse (Tympanuchus phasinellus)

American Bittern (Botarus lentiginosus)

American White Pelican (Pelecanus erythrophyachos)

Chestnut-collared Longspur (Calcarius ornatus)

Mammals- Black Footed Ferret (Mustela nigripes) *2

Black-tailed Prairiedog (Cynomys Iudovicianus) *3

Hoary Bat (Lasiurus cinerus)

Amphibian- Northern Leopard Frog (Lithobates pipiens)

- *1 The requested additional workspace falls within one mile of four active Greater Sage Grouse Leks (CA-019, CA-020, CA-024a, and CA-073) within the defined Greater Sage Grouse Core Habitat Area. Disturbance has occurred on this tract associated with the clearing and grading of the pipeline corridor, a portion of which was conducted within the authorization granted under a 50 foot easement granted to Butte Pipeline. In addition disturbance of the requested additional work space occurred simultaneously and without prior authorization of the DNRC. Both the authorized and unauthorized disturbance took place prior to January 31, 2014 as such it is not subject to the Greater Sage Grouse Habitat Conservation Strategy. The area of disturbance takes place within an existing pipeline corridor route. Disturbed area will be reseeded with native plant species that are compatible with the surrounding ecological site conditions.
- *2 The last noted observation of Black footed ferret in the general area was made in 1984. Since then no further observations of the species have been noted. The area of disturbance is not located within a Black Footed Ferret reintroduction or conservation area.
- *3 The last noted observation of Black Tailed Prairiedog in the general area was made in 1916. Since then no further observations of that species have been noted.

Impacts to the other listed species of concern are expected. This disturbance is expected to occur during the construction and reclamation phases of the project. Once reclamation is complete and the vegetative community is restored, usage of the habitat should return to preconstruction levels. Construction will take place within an existing transmission pipeline corridor.

Butte pipeline has addressed sensitive, threatened and endangered species in the Belle Fourche Pipeline Biological Assessment Chapters 1-6.

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

Identify and determine effects to historical, archaeological or paleontological resources.

Alternative A- A class one archeological study was conducted on state trust land parcels within the project area. No cultural sites were noted within the pipeline corridor. This project is proposed to take place within an existing and previously disturbed and surveyed pipeline corridor. Should any such resources be discovered during the construction of this project, stipulations are in place to immediately cease operations and notify both the DNRC Staff Archeologist and the State Historical Preservation Officer. Construction would resume until approval from the DNRC Staff Archeologist is received.

Alternative B- No Impact

11. AESTHETICS:

Determine if the project is located on a prominent topographic feature, or may be visible from populated or scenic areas. What level of noise, light or visual change would be produced? Identify cumulative effects to aesthetics.

Alternative A- Alteration of the viewshed may occur during the clearing, construction and restoration activities. Some areas of the project are remote and are not visible from populated areas while others are visible from county roads and state highways. Construction activities will leave a scar on the vegetative community which should recover fully after restoration is complete generally within 3 years or less. No above ground structures are included within the land use license request. Noise levels may also be increased during the clearing construction and restoration activities. These noise levels may be increased moderately from ambient levels. These noise increases should only be short term in duration. These noise levels may disrupt some wildlife within the immediate area of construction.

Alternative B- No Impact

12. DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AIR OR ENERGY:

Determine the amount of limited resources the project would require. Identify other activities nearby that the project would affect. Identify cumulative effects to environmental resources.

Alternative A- Limited land resources may be utilized in the short term. Water resources may be utilized for hydrostatic testing and dust control. In such a case Butte Pipeline Company will be required to obtain a beneficial water use permit from the DNRC Water Resources Division.

Alternative B- No Impact

13. OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA:

List other studies, plans or projects on this tract. Determine cumulative impacts likely to occur as a result of current private, state or federal actions in the analysis area, and from future proposed state actions in the analysis area that are under MEPA review (scoped) or permitting review by any state agency.

The proposed Thunderbird pipeline is currently under MEPA/NEPA review. This proposed pipeline would be located within the same pipeline corridor as the existing and new Butte Pipeline, as well as the WBI Grasslands Pipeline. DNRC has conducted a MEPA review and issued easements for the Phase 1 portion of the proposed Thunderbird Pipeline.

IV. IMPACTS ON THE HUMAN POPULATION

- RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.
- Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.
- Enter "NONE" If no impacts are identified or the resource is not present.

14. HUMAN HEALTH AND SAFETY:

Identify any health and safety risks posed by the project.

Alternative A- There may be potential health and safety risks associated with this project. These risks can be mitigated with proper training and on site safety protocols. The proponent will adhere to DOT Minimum Federal Safety Standards. The proponent will also participate in state "one call" programs.

Alternative B- No Impact

15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:

Identify how the project would add to or alter these activities.

Alternative A- This proposed project should have a long term positive effect on industrial and commercial activities through increasing transportation capabilities for domestically produced crude oil resources. This project may have a short term negative effect on agricultural activities and production. These negative effects should only last through the construction and restoration phases of the proposed project. Butte will coordinate with landowners/surface lease holders to repair any damaged infrastructure (fences, cattle guards, stock water pipelines)

Alternative B- No Impact

16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT:

Estimate the number of jobs the project would create, move or eliminate. Identify cumulative effects to the employment market.

Alternative A- This project has the potential to create jobs with further development possibilities. The potential increases in employment are unknown at this time. Indirect increases in employment may also occur due to increased demand for service oriented businesses during the construction of the project

Alternative B- No Impact

17. LOCAL AND STATE TAX BASE AND TAX REVENUES:

Estimate tax revenue the project would create or eliminate. Identify cumulative effects to taxes and revenue.

Alternative A- This project may be expected to increase tax revenue within counties crossed by the pipeline through issuance of property taxes, applicable local taxes, and payroll taxes collected from employees working in Montana. Expected tax revenue increase is not known at this time.

Alternative B- No impact.

18. DEMAND FOR GOVERNMENT SERVICES:

Estimate increases in traffic and changes to traffic patterns. What changes would be needed to fire protection, police, schools, etc.? Identify cumulative effects of this and other projects on government services

Alternative A- Traffic levels may increase during the construction phase of this project. This increase should only be short term and temporary.

19. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS:

List State, County, City, USFS, BLM, Tribal, and other zoning or management plans, and identify how they would affect this project.

Alternative A- The Montana Sage Grouse Habitat Conservation Plan

The requested additional workspace falls within one mile of four active Greater Sage Grouse Leks (CA-019, CA-020, CA-024a, and CA-073) within the defined Greater Sage Grouse Core Habitat Area. Disturbance has occurred on this tract associated with the clearing and grading of the pipeline corridor, a portion of which was conducted within the authorization granted under a 50 foot easement granted to Butte Pipeline. In addition disturbance of the requested additional work space occurred simultaneously and without prior authorization of the DNRC. Both the authorized and unauthorized disturbance took place prior to January 31, 2014 as such it is not subject to the Greater Sage Grouse Habitat Conservation Strategy. The area of disturbance takes place within an existing pipeline corridor route. Disturbed area will be reseeded with native plant species that are compatible with the surrounding ecological site conditions.

Areas of requested additional workspace that have not been disturbed will be subject to stipulations set forth in the Montana Sage Grouse Habitat Conservation Plan. The area of additional workspace will be located within an existing pipeline corridor route that is outside of Greater Sage Grouse core habitat area. Disturbed area will be reseeded with native plant species that are compatible with the surrounding ecological site conditions.

Alternative B- No Impact

20. ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES:

Identify any wilderness or recreational areas nearby or access routes through this tract. Determine the effects of the project on recreational potential within the tract. Identify cumulative effects to recreational and wilderness activities.

Alternative A- This proposed project and easement request should have only a minimal effect on access to recreational and wilderness activities. These opportunities may be disrupted during construction and restoration phases of the project. These phases will be short term in nature and should have no lasting effect on recreational activities.

Alternative B- No Impact

21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING:

Estimate population changes and additional housing the project would require. Identify cumulative effects to population and housing.

Alternative A- There is potential for a temporary increase in population as well as housing demand. The estimated maximum work force is unknown at this time.

Alternative B- No Impact

22. SOCIAL STRUCTURES AND MORES:

Identify potential disruption of native or traditional lifestyles or communities.

Alternative A- This project has the potential to have a minimal and temporary disruption of native or traditional lifestyles. This disruption should cease once the construction and reclamation phases are completed. Alternative B- No Impact

23. CULTURAL UNIQUENESS AND DIVERSITY:

How would the action affect any unique quality of the area?

Alternative A- No Significant Impact

24. OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:

Estimate the return to the trust. Include appropriate economic analysis. Identify potential future uses for the analysis area other than existing management. Identify cumulative economic and social effects likely to occur as a result of the proposed action.

Alternative A- This project would require the purchase of a land use license for temporary construction space within these tracts of Trust Land. The price per rod of this land use license would be set at \$30.00. The total easement revenue to the trust from this land use license would be \$69,120.00. There has been a trespass penalty of \$60.00 per rod assessed for use of construction space without prior authorization. The total trespass fee would be \$58,440. The combined land use license fee and trespass penalty income to the trust would be \$127,560.00.

Alternative B- Additional revenue to the trust through the issuance of a land use license for additional workspace would not be realized.

	EA Checklist	Name:	Scott Aye	Date: 3-21-2014	
	Prepared By:	Title:	Land Use Specialist		
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V. FINDING					
	25. ALTERNATIVE SELECTED:				
Alte	ernative A				
26. SIGNIFICANCE OF POTENTIAL IMPACTS:					
The granting of the requested land use license for additional work space across state owned trust lands for the proposed Butte Pipeline Replacement Project should not result in nor cause significant environmental impacts. The predicted environmental impacts have been identified and mitigation measures addressed in the land use license stipulations. The predicted impacts will be adequately mitigated through the construction and reclamation plans. The proposed action satisfies the trusts fiduciary mandate and ensures the long term productivity of the land. An environmental assessment checklist is the appropriate level of analysis for the proposed action					
27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:					
	EIS		More Detailed EA	X No Further Analysis	
_	- A Checklist	Name:	Chris Pileski		
Α	approved By:	Title:	Eastern Land Office; Area Manag	jer	
Signature: /s/ Chris Pileski				Date:3/24/2014	